9th September 1958] [Deputy Chairman]

12th September 1958, 3 p.m. to 6 p.m.	1 The Madras District Development Councils Bill, 1958. 2 The Madras City Municipal (Amendment) Bill, 1958. 3 The Madras District Municipalities (Amendment) Bill, 1958 (subject to the Bills being passed by the Assembly).
13th September 1958, 3 p.m. to 6 p m.	1 Presentation of the Supplementary Statement of Expenditure for 1958–59 and Demands for Grants for Excess Expenditure in 1955–56. 2 Non-official business.
14th September 1958 to 16th September 1958	Holidays.
17th September 1958 3. p.m.	General discussion on the Supplementary Statement of Expenditure for 1958–59 and Demands for Grants for Excess Expenditure in 1955–56.

Further programme will be decided by the Committee at 2-30 p.m. on 17th September 1958.

Now the Hon. the Minister for Food and Agriculture will make a statement on the general food situation in the Madras State.

V.—STATEMENT UNDER RULE 82 OF THE MADRAS COUNCIL RULES *RE* FOOD SITUATION IN THE MADRAS STATE.

THE HON. SRI M. BHAKTAVATSALAM : Mr. Deputy Chairman, Sir, I wish to make a statement under rule 82 of the Madras Legislative Council Rules on a matter of public importance, viz., the general food situation in the Madras State.

The State of Madras was slightly deficit in foodgrains at the time of the formation of Andhra in 1953. But subsequently, due to a series of favourable seasons, we are now self-sufficient. The production of foodgrains during the last two years is as follows :—

Year.	Rice.	Millets.	Total.
(1)	(2)	(3)	(4)
	LAKHS. TONS.	LAKHS. TONS	LAKHS. TONS.
1956–57	31·03	15·19	46·22
1957–58	31·34	15·24	46·56

Generally speaking, the latest south-west monsoon, although it was a bit delayed, has been satisfactory and the condition of the crops is on the whole fair in most parts of the State. There are

[Sri M. Bhaktavatsalam] [9th September 1958

some exceptions to this statement, because small areas like parts of Chingleput district and parts of South Arcot district experienced dry conditions and there was some damage to the standing crops, while in parts of Tanjore and Tirunelveli, there were some pest attacks which also resulted in some losses. But, by and large, the condition of the crops is satisfactory so far.

In July 1957, the Government of India promulgated the Zonal Movement Order by which foodgrains could not move outside the Southern Zone. The Southern Zone comprises the States of Madras, Kerala, Mysore and Andhra. This Government all along maintained that the Madras State by itself should be constituted into a zone, so that we might not be affected by the fluctuations in the food situation in the adjoining States, but the Government of India were not agreeable to these suggestions. Their view is that in the Southern Zone, Madras and Mysore are fairly self-sufficient while Kerala is highly deficit and Andhra has a good surplus of 5 or 6 lakhs tons. So, the view of the Government of India is that the Southern Zone as a whole would be almost self-sufficient in good years and that the free flow of foodgrains need not be interfered with.

Ever since 1954–55 there has been a steady decline in the inflow of rice from the Andhra Pradesh to Madras. From 91,542 tons in 1954–55 it was 19,070 tons in 1957–58. The position during April to July 1958 was slightly better. On the other hand, since 1955–56 there has been a steady movement of rice from Madras to Kerala at about 2 to 2½ lakhs of tons per year.

It is generally assumed that the average consumption of foodgrains per adult per day should be 16 ounces. On this basis, our production of 46 lakhs tons is just sufficient to ensure the supply of the full requirements of consumption at the 16 ounces level. However, it is likely that the actual consumption is considerably lower than 16 ounces. Some surveys made in the trends of consumption in recent years have shown that the consumption clearly is on a scale of 15.4 or 15.3 ounces and not 16 ounces. It is this consumption of 15.3 ounces which produced the small surplus of 2.5 lakhs tons which we are able to export to Kerala. The actual consumption during the rationing years was about 12.5 ounces per adult per day.

As regards prices, since the end of 1957 the price of II sort rice ruled round about Rs. 18·50 per maund in the various centres in this State. From about July there has been a rise to about Rs. 20 per maund. Compared to the prices in August 1957, the prices have risen on an average by Rs. 1·84 per maund in August 1958, which represents an increase of about 10 per cent.

The reason for this increase in price should be sought in the general upward trend in food prices in North India. Although the Southern Zone has been able to keep up a fairly high level of production, the northern States, particularly, the Uttar Pradesh, Bihar, West Bengal and Orissa have been subject to a drought and the production has substantially fallen there. The result has been

a sharp increase in prices in those States. Although the formation of the Southern Zone is intended to insulate the Southern States against price fluctuations elsewhere, this can never be achieved completely in practice and if prices go up in the North, there will be a sympathetic upward trend in Madras too and this seems to be what has happened.

Taking the figures for Calcutta and Bihar, it is clear that the prices in those places have risen very steeply by about Rs. 3.50 to Rs. 4,00 per maund. With such a steep rise in one end of the country, it is only natural to expect some sort of an increase in the rest of the country. In Madras the increase has been about Rs. 1.84 per maund during the period May to August 1958 and still barring Coastal Andhra, Madras State has probably the lowest price level in India.

What are the likely trends of food prices during the next few months? Assuming that the North-East Monsoon is favourable, it can be expected that the price levels will not go substantially higher, but there is a likelihood of a small fall in prices when the Kuruvai comes in October. The position with regard to the supply of foodgrains to meet all the requirements of the people of this State is satisfactory. The price increase is only due to factors not connected with the supply of foodgrains and, therefore, it is not likely that there would be any large increase in the prices or any difficulty in securing supplies.

During the last food crisis in 1956, a large number of fair price shops were started, but after the main harvest in February last, most of the fair price shops were closed down in this State as it was considered that adequate foodgrains were available in the market. The Government of India were not agreeable to release any more foodgrains from their stocks but suggested that the State Government might themselves enter the market and procure the requisite foodgrains for distribution through the fair price shops. Since this State is just self-sufficient in rice, this Government considered that it would be inadvisable to enter the market as there was likely to be a sharp increase in the general prices, if the Government became a purchaser. The fair price shops are, however, now being run for supply of wheat alone. The number of fair price shops now functioning in this State is 470 and a quantity of 18,740 tons of wheat have been issued by the Regional Director of Food for supply through the fair price shops till the middle of August last. The organization has been kept going so that it may be useful in case the price position deteriorates any further.

To sum up—

(1) the supply position of foodgrains is quite satisfactory, as the crops were good last year and also so far this year;

(2) the increase in prices is due to the abnormal increase in prices of foodgrains in Uttar Pradesh, Bihar and West Bengal. The price has gone up there by about Rs. 4 to Rs. 5 a maund and

[Sri M. Bhaktavatsalam] [9th September 1958

in sympathy our prices have increased by about Rs. 1·84, but still the price level in Madras is the second lowest among all the States in India; and

(3) the fair price organization is kept intact on a small scale to meet any emergency.

VI.—GOVERNMENT MOTIONS.

(1) ELECTION OF TWO MEMBERS TO THE COMMITTEE OF PRIVILEGES.

4-10 p.m.

THE HON. SRI R. VENKATARAMAN: Mr. Deputy Chairman, I move—

" That, with reference to rule 154 (3) of the Madras Council Rules, this Council do proceed on a date to be fixed by the Hon. the Chairman to elect two members to be Members of the Committee of Privileges for the financial year 1958–59 in the casual vacancies caused on the expiration of the term of membership of the Council of Sri R. Venkataraman and Dr. A. Lakshmanaswami Mudaliar ".

DEPUTY CHAIRMAN: The question is—

" That, with reference to rule 154 (3) of the Madras Council Rules, this Council do proceed on a date to be fixed by the Hon. the Chairman to elect two members to be Members of the Committee of Privileges for the financial year 1958–59 in the casual vacancies caused on the expiration of the term of membership of the Council of Sri R. Venkataraman and Dr. A. Lakshmanaswami Mudaliar ".

The motion was put and carried.

DEPUTY CHAIRMAN: I have to inform the House that in accordance with the regulations framed for the holding of elections according to the principle of proportional representation by means of the single transferable vote, I fix 5 p.m. on Wednesday, the 10th September 1958, as the time within which nomination of candidates for the election of two Members to the Committee of Privileges should reach the Secretary. There will be an election if the number of candidates nominated exceeds two. The date and the time of the election would be intimated later on.

(2) NOMINATION OF ONE MEMBER TO THE COMMITTEE ON ESTIMATES.

THE HON. SRI R. VENKATARAMAN: Mr. Deputy Chairman, I move—

" That this House nominates the following one Member to associate with the Committee on Estimates of the Legislative Assembly for the financial year 1958–59 in the casual vacancy caused on the expiration of the term of membership of the Council of Sri A. Gajapathy Nayagar :—

Sri A. Gajapathy Nayagar ".